Approved For Release 2003/05/28 C/A/RDF91T01172R000200330003-2

OCI No. 8435 Copy No. 9 CENTRAL INTELLIGENCE AGENCY OFFICE OF CURRENT INTELLIGENCE 5 August 1953

## USSR COUNTERS WESTERN PROPOSAL WITH BROADENED CONFERENCE AGENDA

The Soviet Union in a 4 August note has accepted with definite reservations the 15 July request of the three Western Powers for a foreign ministers' meeting on Germany and Austria. It appears that the USSR at least desires to broaden the conference agenda to include "measures for the lessening of tension in international relations." On Germany, the USSR is ready for an all-inclusive discussion of "the German question, including the problem of the restoration of German unity and the conclusion of a peace treaty", but without the embarrassing precondition of discussing free elections. The Austrian problem is subordinated, but tied to that of Germany with the assertion that "it goes without saying" that settlement of the German problem could also contribute toward an Austrian treaty.

The Soviet reply strongly criticizes the "preliminary collusion" of the three western powers on the agenda for a four power conference without consulting the USSR. This is termed an obvious contradiction of existing agreements on foreign ministers' conferences which "could exercise a negative influence" on any forthcoming conference.

The USSR notes that favorable conditions have been created for a lessening of international tension following the efforts of "peace-loving governments" which have made it possible to conclude a Korean armistice.

As part of the Soviet effort to maintain maximum maneuverability in any forthcoming negotiations the USSR suggests that the composition of any group to discuss the various outstanding international problems is still open to question. In this respect the USSR makes a strong appeal for giving Communist China representation in the Big Power deliberations, citing the United Nations charter as granting China this co-equal status. The note points out that ignoring the Chinese People's Republic "would not be in the interests of maintenance and strengthening of peace and international security."

Berlin ... distracts attention from facts having positive significance for the easing of international relations."

In its agenda-broadening efforts the USSR not only asks for consideration of measures which would promote a general lessening of international tension, but adds the issues of disarmament and "foreign military bases on the territory of other states."

The Soviet Union points out that in addition to Europe there are serious current problems in Asia. For this reason again, "the great Chinese people, united by the Chinese People's Republic," are fully justified in demanding their legitimate rights in international affairs.

While agreeing to a discussion on Germany, the note carefully points out that the present Allied position cannot contribute to unification under an all-German democratic government or to a peace treaty, and will leave Germany divided. Apparently with reference to West Germany's September elections, the note warns that if Adenauer agrees with the present Western attitude towards Germany, the German and other European peoples can have no confidence in his government.

The West Germans will probably regard the present note as Moscow's "No" to German unification. Most West Germans expected a note dealing in detail with the German problem; instead, they will feel they have been given a curious collection of generalities. This note will be regarded as an evasion of the issue by both the Social Democrats, who fervently desired the USSR to move ahead on unity, as well as by Chancellor Adenauer's coalition followers who feared that it might do so. The faint hope it holds out of German unity is not likely to persuade the many undecided German voters to support the Social Democrats over Adenauer in the 6 September general election.

The Austrians will be greatly disappointed by the subordination of their treaty problem to that of the Germans.

In view of the general French pessimism regarding the chances for an East-West detente, following the dispatch of the 15 July notes to the USSR, any Soviet tendency to encourage talks could be expected to lead to insistence by the French government that they be held. The Soviet call for inclusion of Communist China will maximize this insistence. Both the French public and government have been giving the highest priority to finding prompt means of lightening the Indochina burden, and Foreign Minister Bidault has reflected the eagerness of the

press to see a general Far Eastern settlement grow out of the prospective arrangements on Korea. The Soviet emphasis on German unification, however, tends to reduce the appeal of the note for the French.

The British government can be expected to recognize fully the note's propagandistic character and divisive intent. It is not likely to be under serious pressure from public opinion to include Peiping in any early Big Power talks, despite the widespread British sentiment for eventually considering the admission of Communist China to the United Nations in connection with a general Far Eastern settlement.

The note's attack on military bases in foreign territory will exacerbate existing irritations on this subject in a number of countries from Italy and Denmark around to Japan.